

Frankfort Plant Board

Smith stated Staff will come back to the Board with the criteria of how we selected the Phase 1 participant as part of the pilot project. Then if Phase 1 is successful, we will return with those results to the Board with a request to continue with Phase 2-4.

8. Approval of Change Order #3 – Chemical Feed – Onsite Generation Project:

Mr. Billings briefed the Staff on this project and the change order. Dr. Green stated the change order fell well within the perimeters for a project of this size.

Ms. Wingrove called for any questions or discussion. With no comments, Dr. Green made a motion to approve the change order, Ms. Burton seconded, the motion passed.

9. Approval of Water Purchase Agreement with Northeast Woodford Water District:

Mr. Billings briefed the Board on the background and history of Northeast Woodford Water District. Mr. Billings introduced Mr. Davis, Chairman of Northeast Woodford Water District Board as our newest wholesale water customer. Mr. Maffet asked what FPB's participation was and what the \$41,860 was. Mr. Billings stated the estimated cost to the district is approximately \$67,000 and approximately \$38,000 for FPB's costs. Mr. Billings stated the \$41,860 is the bid the district received for laying 6-inch SDR21 line to U.S. 421. Since FPB does not install 6-inch SDR21, we offered to pay the difference between that and 8-inch C-900. The water district is also responsible for \$3,800 for metering, \$20,000 for telemetry and \$1,300 tap fees. Mr. Maffet asked who was going to construct the line. Mr. Billings stated FPB would, it will be our line. Mr. Maffet asked if FPB was going to pay the total construction costs of the project. Mr. Billings stated the water district would give FPB \$41,860 which represents \$13.00 a foot, and also \$25,100 (metering, telemetry and tap fees) above that. Mr. Maffet asked would that cover total construction costs. Mr. Billings responded, yes, with an addition of \$38,000 to cover the increase in pipe size. Mr. Maffet asked if we were starting to use PVC. Mr. Billings replied, yes out in the district. Mr. Maffet asked if we had lowered the tap fee. Mr. Billings stated he had used that data because he is anticipating the work to be done after the fiscal year and we adjusted the tap fee at the beginning of the fiscal year. Mr. Maffet asked if FPB had done a pressure evaluation for state standards. Mr. Billings responded, yes and we have the pressure for state standards. Ms. Burton moved that the contract be approved, Dr. Green seconded. Ms. Wingrove asked for any further discussion. Mr. Ludwig asked if the water district would be brought in on the same rate as other water wholesale water district customers and that the PSC recently approved. Mr. Thomas responded yes. With no further discussion, the motion passed.

10. Approval of Cable Video-on-Demand:

Mr. Higginbotham presented this item to the Board. Mr. Thomas commented the entire proposal is in the current year budget. Staff did not want to move forward and purchase this equipment unless we could bring a contract back to the Board for their approval to purchase the programming. This product will make FPB much more competitive and video-on-demand would replace our pay-per-view service with a small incremental increase on top of what we are spending today.

Dr. Green asked how many customers have advance set tops. Mr. Higginbotham stated approximately 40% with a 7-8% growth per year. Ms. Burton asked if PPV programming was successful. Mr. Higginbotham stated moderately. PPV requires you be in front of your television to view it, however, with video-on-demand you can view it at your convenience.

Ms. Wingrove asked if the Board was prepared to take action. Ms. Burton made a motion to approve, Dr. Green seconded, the motion passed.

11. Approval of Headend Employee Job Description & Grade:

Mr. Higginbotham presented this item to the Board. Mr. Maffet asked why the position is an "Engineer" yet the only license required is a driver's license. Also, the detail stated we

2. Facility Site Evaluation & Info/Headend/Reservoir

Mr. Smith stated this would be handled in two parts, the first part being a site assessment. In checking with City and County personnel they issue an RFQ for a site assessment individual/firm and then make a decision. Mr. Smith stated he felt this would be a wise idea and once we bring that individual/firm on board we would ask them for help issuing an RFP for the site assessment. We have a six month time frame and that should allow us plenty of time for this process.

The second phase would be to prepare a design build. If the site is acceptable we would then go through a design build which would lead to a RFP process. Mr. Smith stated the financial feasibility will be completed around May 15th and will be delivered to the Board prior to the site assessment (first step).

3. Stan Conn – Owensboro Municipal Utility CEO

Mr. Smith stated we are looking at alternative energy sources. Mr. Smith stated he had talked to Mr. Conn and he and Staff will be visiting OMU within the couple of weeks.

4. Strategic Planning

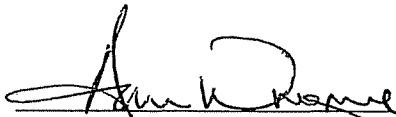
Mr. Smith stated Staff has completed a SWOT analysis. The Board will be doing a SWOT analysis soon which will be matched up with the Staff's analysis. Mr. Smith stated he would like to have a separate meeting devoted to policies and programs, however, with this being a busy time of year; hopefully we could do it in the next 2-3 weeks. Ms. Burton stated she felt a priority at this time is the budget and then the financial feasibility study. The Board and Staff discussed various dates for meetings. However in the end, Ms. Wingrove stated Ms. Walker will coordinate with the Board on a date for the policies review. The Board agreed the SWOT analysis would be conducted after the budget and the feasibility study are completed.

15. Request Permission to have Chair Call a Closed Door Session pursuant to KRS 61.810(1)(c) to discuss proposed or pending litigation against or on behalf of the public agency.

Ms. Burton moved, Dr. Green seconded, the motion passed. Ms. Wingrove stated there would be a 5-10 minute break before the closed session.

**16. Closed Door Session:
(Necessary)**

The Board returned from Closed Session with no action. Dr. Green moved to adjourn; Mr. Maffet seconded, the motion passed.



ATTEST:
